



# Iowa Medicaid Newsletter Endeavors Update

*A Communications Effort to Strengthen Partnerships*      *September 2014*

**Terry E. Branstad, Governor**  
**Kim Reynolds, Lt. Governor**

*Iowa Department of Human Services*  
*Charles M. Palmer, Director*  
*Julie Lovelady, Interim Medicaid Director*

## Want to Subscribe?

If you'd like to receive Endeavors Update, send "subscribe" along with your name, email and organization to [IMENewsletter@dhs.state.ia.us](mailto:IMENewsletter@dhs.state.ia.us).

Subscribe to frequent updates on the Iowa Health and Wellness Plan by emailing "subscribe" along with your name, email and organization to [IMECommunications@dhs.state.ia.us](mailto:IMECommunications@dhs.state.ia.us)

## Iowa Medicaid Director's Column



Welcome to the September issue of Endeavors Update. This is my first column as Interim Medicaid Director, and I'm excited about the opportunity to share the latest and greatest news from the Iowa Medicaid Enterprise (IME) with our stakeholders and partners. For the readers who do not know me as well, please allow me to begin with a brief introduction. I've worked in Iowa Medicaid for the past twenty years, most recently serving as Medicaid Deputy Director from 2009 until August 2014 when I was appointed Interim Director. Through this time, I've held a variety of roles including Provider Services Account Manager, Medicaid Managed Care Coordinator and more. I'm also a Registered Nurse, and began my career as an office nurse.

During September, one of the major initiatives for the entire Department of Human Services (DHS) has been the formal submission of the State Fiscal Year (SFY) 2016-2017 budget. Recommendations were made to the Iowa Council on Human Services mid-month, and the recommendations will now be passed to Governor Branstad's office. You'll find detailed explanations of the Medicaid budget categories on pages 4-7, along with the requested funding for SFY2016-2017.

We continue to promote the Healthy Behaviors Program under the Iowa Health and Wellness Plan, and just began a member communications campaign you can read about on page 2. It has been incredibly positive to see so many members taking such an active role in their health care, and great to see the tremendous effort put forth by our provider community to support this initiative.

I'm thrilled at the opportunity to serve as Interim Director, and look forward to working with you on all of the Medicaid initiatives.

## Inside this issue:

Iowa Health and Wellness Plan: Healthy Behaviors	2
Iowa Health and Wellness Plan: Medically Exempt	2
Core Standardized Assessment Update	3
DHS Council Reviews State Fiscal Year 2016-17 Budget	4-7
Health Home Program Transforming Health Care	8
HCBS Transition Plan Submitted to CMS	8

## Response Requested: Take Our Survey and Share Your Thoughts!

Iowa Medicaid wants to hear from you! The Endeavors Update newsletter began in 2010 to help provide our stakeholders with the news you need to interact and do business with Iowa Medicaid. After four successful years, we'd like to hear your thoughts as we work to make our newsletter best serve you.

Please take our 5 minute survey and tell us what you think. Survey responses are anonymous. Click here and take the survey now:

<https://www.surveymonkey.com/s/IMENewsletterEndeavorUpdate>

Thank you for your continued support!

## Iowa Health and Wellness Plan: Healthy Behaviors Success



*"It's been great to see so many members accessing preventive care and really take an active role in their health care. Iowa Medicaid is also very pleased to have the provider community engaging so proactively in the program."*  
*Andria Seip*  
*ACA Project Manager*

The Healthy Behaviors component of the Iowa Health and Wellness Plan is beginning to see great success. Iowa Health and Wellness Plan members are accessing preventive care at a much higher rate than in the former IowaCare program, ultimately helping drive toward the program goal of improved overall health.

As of September 19, 2014, more than 14,000 wellness exams had been completed by Iowa Wellness Plan members (does not include Marketplace Choice Plan members). Additionally, close to 13,000 health risk assessments had been completed by program members. Promotion of the program continues, and Iowa Medicaid is seeing steady increases in completed activities each week.

### Customized Member Mailing Campaign

Throughout early October, Iowa Health and Wellness Plan members will be receiving a mailing specifically speaking to Healthy Behaviors, and the potential premium owed if the activities are not completed. The folded mailers are customized based on which activity the member has completed. If the member has completed a wellness exam, but not the HRA, the mailing encourages completion of the HRA (and vice versa).

The mailings will be sent to members who will owe a premium in their second year of enrollment if the activities are not completed. Members who will not owe a premium include: Wellness Plan members with income below 50 percent of the Federal Poverty Level, medically exempt members, and members that are American Indians or Alaskan Natives.

Access samples of the mailings below:

- [Wellness Plan– Need to Complete Both Activities](#)
- [Wellness Plan– Need to Complete HRA](#)
- [Wellness Plan– Need to Complete Wellness Exam](#)

Learn more by visiting [iahealthlink.gov](http://iahealthlink.gov) or <http://dhs.iowa.gov/ime/about/iowa-health-and-wellness-plan>.

## Iowa Health and Wellness Plan: Medically Exempt Update

Individuals enrolled in the Iowa Health and Wellness Plan who have serious and complex medical conditions may need more comprehensive services. These individuals are able to access the additional benefits available through the Medicaid State Plan by being determined medically exempt.

Throughout most of the year, Iowa Medicaid has been working with the provider community and community mental health and substance abuse centers to identify individuals who might be medically exempt.

To date, more than 12,650 individuals enrolled in the Iowa Health and Wellness Plan have been determined to be medically exempt. Of those 12,650, more than 8,100 received the determination from a provider referral, while the remaining 4,550 completed the member survey. Please note: Provider referrals may be emailed to Iowa Medicaid at [IMEMemberMedicallyExempt@dhs.state.ia.us](mailto:IMEMemberMedicallyExempt@dhs.state.ia.us).

### Exempt at Time of Renewal

As individuals begin renewing their Iowa Health and Wellness Plan coverage, the medically exempt determination will renew as well. If there is a significant gap in coverage (more than three months), the exempt process would need to be completed again.

Find all the resources for the medically exempt process in the provider toolkit at: [http://dhs.iowa.gov/sites/default/files/MedicallyExemptToolkit\\_Final\\_07092014.pdf](http://dhs.iowa.gov/sites/default/files/MedicallyExemptToolkit_Final_07092014.pdf)

## Core Standardized Assessment

In August, Telligen, the vendor for the Core Standardized Assessments (CSA) project of the Iowa Medicaid Enterprise's (IME) Balancing Incentive Program (BIP), completed certification of assessors for the Supports Intensity Scale® (SIS). The assessment is for persons seeking Iowa Medicaid waiver services for persons with intellectual disability. Certification was awarded by the American Association on Intellectual and Developmental Disabilities (AAIDD).

Telligen's assessors began completing SIS assessments based on a random sample of Iowa Medicaid members currently receiving services through the Intellectual Disability Waiver and Intermediate Care Facilities for Persons with Intellectual Disability (ICF/ID). Assessments are also being completed on new applicants for services. Assessors have begun completing telephonic assessments of current ID Waiver members who are not scheduled to receive a full SIS assessment in this first year. The telephonic "Off-Year Assessment" replaces the assessment previously completed by Targeted Case Managers (TCM), allowing them more time to directly administer services.

Training through Learning Sessions on the implementation of the SIS was held for TCMs, ICF/ID staff and providers. Slides from each presentation and recordings of two webinars are posted on the [Learning Sessions webpage of the DHS website](#) along with other information about the project.

BIP Program Manager, Patricia Johnston and Telligen representatives also conducted statewide listening sessions to obtain information from the public to assist with the IME's selection of a standardized assessment tool for persons seeking services through the Brain Injury Waiver. Listening sessions were held in Sioux City, Council Bluffs, West Des Moines, Cedar Rapids and Davenport. Slides of the presentations can be viewed on the [Listening Sessions webpage of the DHS website](#). Attendees included brain injury survivors, family members, case managers, providers and advocate representatives. All shared information on their perspectives related to the selection of an assessment tool. Ideas and preferences regarding tool selection may be submitted by email to CSA at: [DHSCoreStandardizedAssessments@dhs.state.ia.us](mailto:DHSCoreStandardizedAssessments@dhs.state.ia.us).

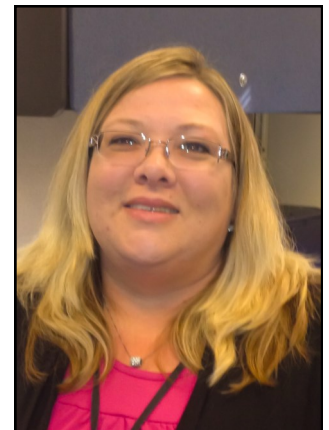


*"We are excited to be actively implementing the first Core Standardized Assessment. Implementation of this initiative is a major step towards improving our current case management system."*  
Pat Johnston,  
BIP Program Manager

## Iowa Medicaid Welcomes New Medicaid Program Manager

The Iowa Medicaid Enterprise (IME) welcomed Sally Oudekerk to the Long Term Care Unit of the IME as a new Medicaid Program Manager. In her new capacity as Medicaid Program Manager, Sally will be overseeing the policy for the Home and Community Based Services (HCBS), AIDS/HIV, Health and Disability (HD), and the Physical Disability (PD) Waivers, as well as the Hospice Program.

Sally previously worked as the Medicaid Policy Specialist for the Division of Adult, Children and Family Services (ACFS) where she oversaw the Medicaid eligibility policies on Social Security Insurance (SSI)-related and long-term care programs. Sally will report directly to Deborah J. Johnson, Bureau Chief of Long Term Care. Please welcome Sally to the IME.



*Sally Odenkerk,  
Medicaid Program Manager*

## DHS Council Reviews State Fiscal Year 2016-2017 Budget

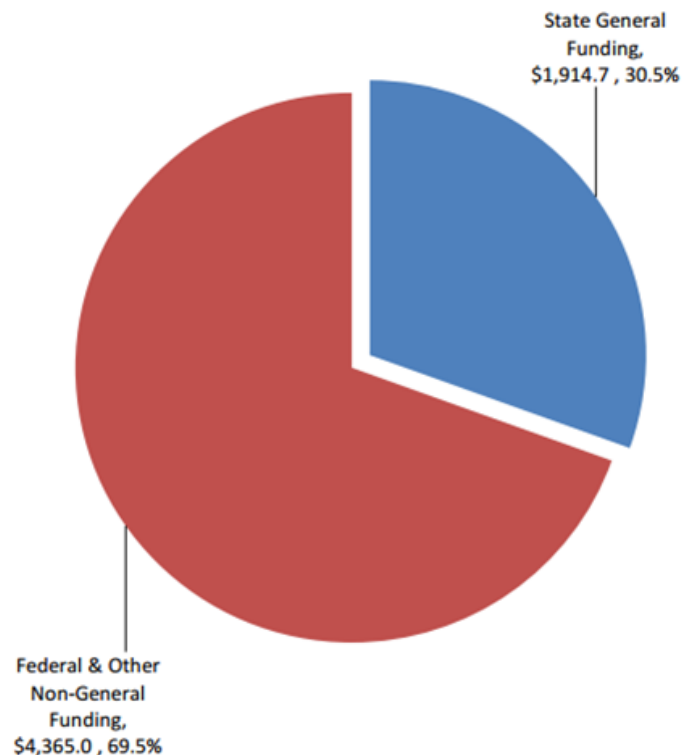
On September 9-10, the Iowa Council on Human Services reviewed and assessed the Department of Human Services' (DHS) State Fiscal Year 2016-2017 (SFY16-17) budget requests. In total, DHS served more than 970,000 Iowans in SFY14, or approximately 32 percent of Iowans. The requests were made for all programs under the purview of DHS, including the Medicaid program. In addition to the 970,000 Iowans served, DHS employs more than 5,000 full-time equivalent positions. For the upcoming SFY16 year, DHS has a projected budget of \$6,279,668,441. Around 30.5 percent of the total budget is made up of state general funds, while the remaining 69.5 percent comes from Federal and other non-general funding.

The SFY16-17 budget request for the Medicaid program reflects a 14 percent general fund increase from the SFY15 Enacted Appropriation. As discussed in the next article, this increase is most notably driven by a decreased Federal Medical Assistance Percentage (FMAP), a State Fiscal Year unfunded need, replacement of one time funds that are no longer available, and anticipated growth in enrollment and costs.

The SFY16-17 budget recommendations will now be forwarded to Governor Branstad.

The SFY16-17 budget requests to the Iowa Council on Human Services may be viewed in detail at: <http://dhs.iowa.gov/budget-reports>

**SFY 2016 DHS Budget Submission to Council  
By Funding Source  
Total Budget \$6,279,668,441**



## Medicaid Director Explains Medicaid Budget: Medical Assistance

The primary purpose of the Medicaid (Title XIX) program is to provide free or low cost health care coverage to low income Iowans such as children, adults, pregnant women, people with disabilities and the elderly. Iowa Medicaid is the second largest payor of health care in Iowa, processing nearly 46 million claims in SFY14, and is projected to cover nearly 800,000, or 26 percent of Iowans in SFY16. The goal of the program is to help people “live healthy, stable, and self-sufficient lives.” Interim Medicaid Director Julie Lovelady explains that the average Medicaid member is a healthy child, who uses very few medical services in a year, apart from well-child care, immunizations and common childhood illnesses. Thousands of children are covered by the Medicaid program for very minimal cost.

Overall, enrollment growth is slowing in Medicaid, excluding the Iowa Health and Wellness Plan. Since SFY10, children have accounted for 65 percent of Medicaid growth. Medicaid costs also continue to remain low, and the growth of cost per member remains very low. Despite low growth, cost per member varies widely. More than 57 percent of members are children, but they represent only 19 percent of total Medicaid costs. To best manage costs, Interim Director Lovelady explains that Iowa Medicaid is using a variety of initiatives such as Health Homes, Integrated Health Homes, Accountable Care Organizations, and more.

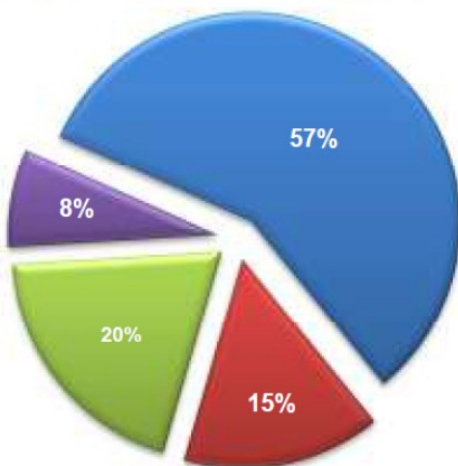
Medicaid is funded by state general funds, other state funds, and federal matching funds, referred to as the Federal Medical Assistance Percentage (FMAP). The FMAP rate (or federal share) has decreased as Iowa’s economy improves relative to other states. The decreased FMAP rate is one of several reasons that the Medicaid program is requesting a 14 percent general fund increase for SFY16. Other drivers include a SFY15 unfunded need, replacement funds that will not be available in SFY16, and anticipated growth in enrollment and costs.

View the SFY16-17 Medical Assistance budget request on pages 3-2 through 3-15 at:

[http://dhs.iowa.gov/sites/default/files/3\\_Improve\\_Iowans\\_Health\\_Status.pdf](http://dhs.iowa.gov/sites/default/files/3_Improve_Iowans_Health_Status.pdf).

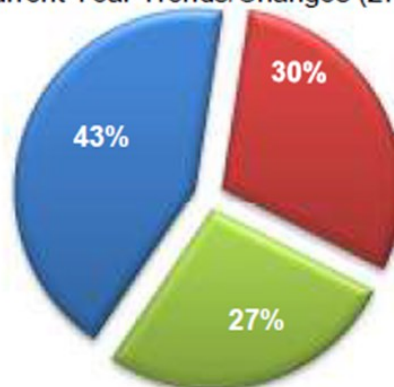
**Average Regular Medicaid Enrollment SFY14: 405,704**

■ Child (57%)      ■ Adult (15%)  
■ Disabled (20%)      ■ Elderly (8%)



**Medicaid Increase by Budget Driver (Compared to the SFY15 Enacted Budget)**

■ Federal Match (43%)  
■ Prior Year (30%)  
■ Current Year Trends/Changes (27%)





## Medicaid Director Explains Medicaid Budget: Medical Contracts

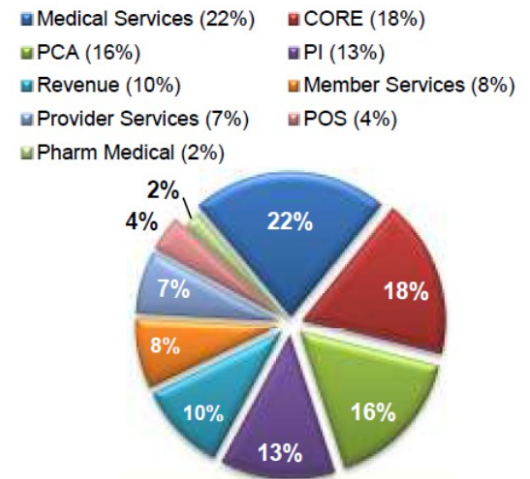
Interim Director Lovelady explains that the Medicaid program is administered by the Iowa Medicaid Enterprise (IME). The IME administers the business functions of operating the program, which includes functions like processing of claims, supporting members and providers and pursuing cost recovery. The Iowa Medicaid Enterprise includes 43 full-time equivalent state employees. To administer the other functions of the program, the IME uses nine performance-based contracts with private vendors. Interim Medicaid Director Lovelady also explains that all costs for the vendor contracts come from the Medical Contracts appropriation.

Medicaid has a very low administrative cost, accounting for just four percent of Medicaid expenditures. The IME Medical Contracts are funded with state and federal funds. The state and federal share of the funding varies based on the activities performed by the unit (see page 3-20 at the link below). The SFY16 Medical Contracts budget request includes a 42 percent increase in state general funds from the SFY15 Enacted Appropriation. This increase primarily reflects replacement of one-time funds, as well as ACA increases and other contractual increases.

View the SFY16 Medical Contracts budget request on pages 3-16 through 3-25 at:

[http://dhs.iowa.gov/sites/default/files/3\\_Improve\\_Iowans\\_Health\\_Status.pdf](http://dhs.iowa.gov/sites/default/files/3_Improve_Iowans_Health_Status.pdf).

**SFY16 Projected Share of State Expenditures by IME Units**



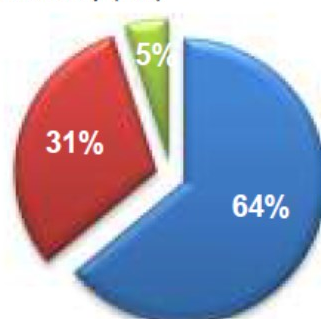
## Medicaid Director Explains Medicaid Budget: CHIP

The Children's Health Insurance Program (CHIP) has three different parts that combine to create the budget request. The parts include a Medicaid expansion (31 percent), the Healthy and Well Kids in Iowa (*hawk-i*) program (64 percent), and a dental only program (5 percent). The CHIP program is available to uninsured children of working families whose income does not exceed 300 percent of the Federal Poverty Level. The overall CHIP enrollment is projected to increase by three percent in SFY16 and three percent in SFY17. Overall satisfaction with the application process and care received are very high, and cost per

member is relatively low. The SFY16 and SFY17 CHIP budget requests reflect a decrease in state general funds due to the enhanced FMAP (increased by 23 percent) authorized by the Affordable Care Act. This savings is dependent upon CHIPRA reauthorization.

**CHIP Members SFY14**

■ *hawk-i* (64%) ■ Expansion (31%)  
■ Dental Only (5%)



View the SFY15 CHIP budget request on pages 3-26 through 3-34 at:

[http://dhs.iowa.gov/sites/default/files/3\\_Improve\\_Iowans\\_Health\\_Status.pdf](http://dhs.iowa.gov/sites/default/files/3_Improve_Iowans_Health_Status.pdf).

## Medicaid Director Explains: Iowa Health and Wellness Plan

The Iowa Health and Wellness Plan began on January 1, 2014, and provides coverage to adult Iowans age 19-64, with an income up to and including 133 percent of the Federal Poverty Level. This group of adults was traditionally not eligible for Medicaid, however, the Affordable Care Act allowed for the expansion of coverage. The plan includes a comprehensive benefit package and provider network, and pairs this with unique program innovations designed to improve health outcomes and lower costs.

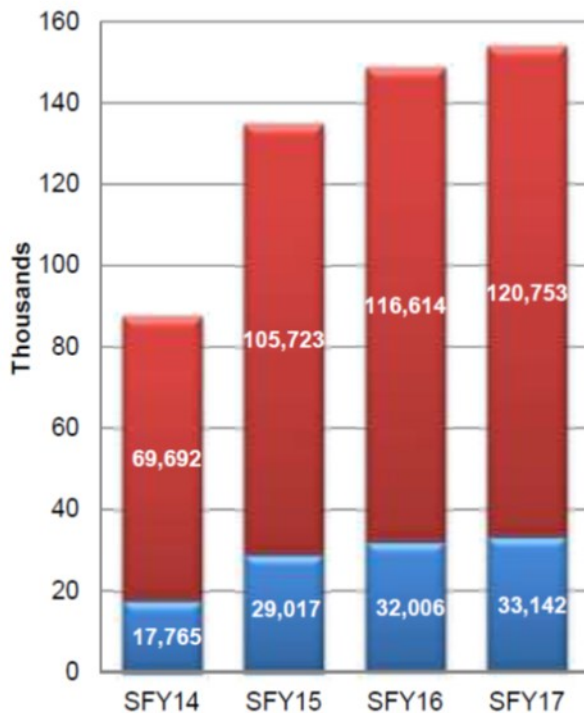
The Iowa Health and Wellness Plan currently covers around 112,000 Iowans through two distinct programs, the Iowa Wellness Plan, and the Iowa Marketplace Choice Plan. Individuals are encouraged to use preventive care, and if the care is utilized, members can waive monthly contributions, which take the place of traditional copayments at the time of service.

The Iowa Health and Wellness Plan leverages 100 percent enhanced federal match rate funds, available under the Affordable Care Act. The 100 percent match rate gradually decreases to 90 percent by 2020.

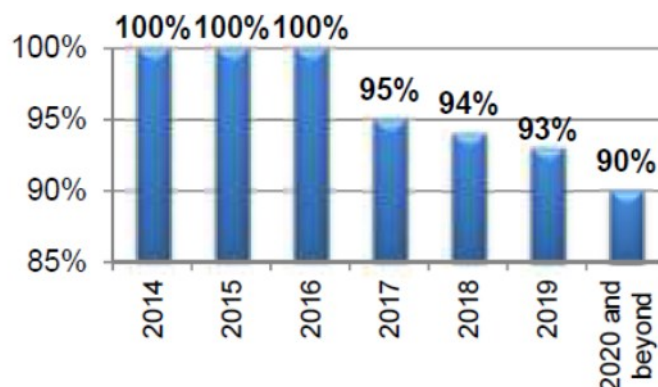
View the SFY16 Iowa Health and Wellness Plan budget request on pages 3-35 through 3-42 at: [http://dhs.iowa.gov/sites/default/files/3\\_Improve\\_Iowans\\_Health\\_Status.pdf](http://dhs.iowa.gov/sites/default/files/3_Improve_Iowans_Health_Status.pdf).

**Estimated Average Enrollees  
by Year**

■ Iowa Wellness Plan  
■ Market Place Choice Plan



**Enhanced Federal Match Rate  
Percentage**



## Health Home Program Continuing to Support Transformation

The Health Home program has developed new ways to support providers in their work as well as make changes to the program to improve processes. Iowa Medicaid identified barriers with the program and implemented changes around the payment model, created an orientation process and are piloting support to clinics around the health home services. Iowa Medicaid plans to create a program toolkit in the near future to assist clinics with the health home program implementation.

The payment model has now changed to a more automated process that has been shown to reduce the amount of time it takes to submit for the PMPM and decrease denials. Iowa Medicaid also found that clinics didn't have a good understanding of how to use the assessment tool or how to use IMPA to assist in population management of their health home patients. Providing an orientation package has assisted with increased enrollment numbers and better management of the patient population.

Telligen sponsored a pilot Health Coach Technical Assistance program aimed to improve Health Home outcomes for the IME. The model includes placing a Telligen Health Coach on site at the clinic for two days each week for eight weeks. The objectives of this pilot are to:

- Increase enrollment of Medicaid patients into the Health Home Program
- Develop and implement clinic specific processes that engage their Health Home patients to improve care
- Support the clinic's implementation of Health Coaches, align with Patient-Centered Medical Home (PCMH) and promote processes that deliver Health Home (HH) services more effectively

The pilot includes four clinics. Two clinics have completed the pilot and the other two clinics have just started. Iowa Medicaid has been seeing some great results from this pilot and is looking forward to the continuing of its success.

To learn more about the Health Home Program or how to enroll, please go to <http://dhs.iowa.gov/ime/providers/enrollment/healthhome>.

## HCBS Settings Transition Plan Submitted to CMS

The Centers for Medicare and Medicaid Services (CMS) required states to submit transition plans to come into full compliance with the final regulations that define settings to pay for Medicaid Home and Community Based Services (HCBS). Iowa submitted a draft version of a transition plan on March 31, 2014, due to the required renewal of the Intellectual Disability (ID) Waiver. The draft transition plan was made available for public comment in May 2014. During this time, stakeholder forums were also held in six cities across the state to collect additional comments.

On August 27, 2014, the Iowa Department of Human Services (DHS) submitted to CMS the transition plan for the Intellectual Disability (ID) Waiver that incorporated changes based on the public comments that were collected. The department's response to all public comments and additional guidance documents were submitted with the plan. Documents detailing the ID Waiver transition plan, the summary of transition plan changes, the department's responses to public comments, and other relevant documents on the transition plan can be accessed on the [HCBS Settings Transition webpage on the DHS website](#).



## Regular Feature: Informational Letters: July– August 2014

The Iowa Medicaid Enterprise publishes provider bulletins, also known as information letters, to clarify existing policy details or explain new policy. Bulletins are posted on a website. The “Endeavors Update” will highlight informational letters released in the preceding months. Topics of July and August 2014 informational letters:

### August 2014

- 1419: Request for Proposal (RFP)-Money Follows the Person Community Reinvestment Initiative (MFPCRI) MED-15-016
- 1418: Iowa Medicaid Pharmacy Program Changes
- 1416: Reminder: Referring or Prescribing Providers Must Be Enrolled With Iowa Medicaid
- 1414: 2014 Update for Outpatient Prospective Payment System (OPPS)
- 1413: Iowa Medicaid Enterprise ICD-10 Provider Readiness Survey
- 1412: Multiple Procedure Payment Reductions (MPPR) for Therapy Claims
- 1411: Supports Intensity Scale® Assessments
- 1410: Cost Outliers Applied to Hospital Stays for Partial Member Eligibility
- 1409: Pharmacy Dispensing Fee Change
- 1408: NCPDP D.Ø Payer Sheet Update for 34ØB Claims Submission
- 1407: Preadmission Screening and Resident Review (PASRR) Changes
- 1405: Release of HCBS Waiver Slots

### July 2014

- 1406: NCPDP D.Ø Payer Sheet Update for 34ØB Claims Submission
- Informational Letter 1406 is being replaced by Informational Letter 1408
- 1404: 340B Drug Pricing Program
- 1400: Listening Sessions to Select a Core Standardized Assessment (CSA) Tool for Persons Receiving Brain Injury Waiver Services

View the complete list of informational letters by year at:

<http://dhs.iowa.gov/ime/providers/rulesandpolicies/bulletins>

## Summer 2014 Issue of Partners for Better Health and Wellness

The Medicaid quarterly newsletter for members, [Partners for Better Health and Wellness](#) is now available and shares with Medicaid member's information on transportation services, the new Department of Human Services' website, prescription prior authorizations, Disease Management Programs, and results of the 2013 Member Survey.

## 2014 Iowa Medicaid Annual Provider Training Wrap-Up

The Iowa Medicaid Enterprise (IME) concluded its 2014 Annual Provider Training workshops on Wednesday, August 27, 2014. The all-day workshops started on June 11, in Waterloo and continued through ten additional communities before concluding in Des Moines. This year's training sessions attracted 3,554 providers throughout the state addressing a variety of provider-relevant issues.

The IME values the Annual Provider Training as a critical tool in maintaining and strengthening partnerships between the IME and its provider community. Anticipating a high demand for information, this year's workshops were offered twice in each scheduled community. For providers that were not able to attend this year's training sessions, the presentation slides may be accessed on the [Provider Services section of the DHS website](#).



***Iowa Medicaid programs serve Iowa's most vulnerable population, including children, the disabled and the elderly.***

**We're on the web!**

<http://dhs.iowa.gov/ime>

Comments, Questions or Unsubscribe

Please email:

[IMENewsletter@dhs.state.ia.us](mailto:IMENewsletter@dhs.state.ia.us)

*The Iowa Medicaid Enterprise (IME) is an endeavor, started in 2005, to unite State staff with "best of breed" contractors into a performance-based model for administration of the Medicaid program.*

*The Medicaid program is funded by State and Federal governments with a total budget of approximately \$5 billion. The \$5 billion funds payments for medical claims to over 43,000 health care providers statewide.*

*Iowa Medicaid is the second largest health care payer in Iowa. The program is expected to serve over 800,000 Iowans, or 26%, of the population in State Fiscal Year 2016.*

## **Iowa Medicaid Upcoming Events:**

- |              |   |
|--------------|---|
| October 1:   | <b>Drug Utilization Review Commission Meeting</b><br><a href="#">Learn more here</a>          |
| October 8:   | <b>October Council on Human Services Meeting</b><br><a href="#">Learn more here</a>           |
| October 17:  | <b>Clinical Advisory Committee Meeting</b><br><a href="#">Learn more here</a>                 |
| November 20: | <b>Pharmaceutical &amp; Therapeutics Committee Meeting</b><br><a href="#">Learn more here</a> |

*This update is provided in the spirit of information and education.*

*The Department shall not be liable for any damages that may result from errors or omissions in information distributed in this update.*